



UNITED STATES SENATOR ★ SERVING THE CITIZENS OF IDAHO

# LARRY CRAIG

[HTTP://CRAIG.SENATE.GOV/PRESS/](http://craig.senate.gov/press/)

NEWS RELEASE

For Immediate Release  
August 17, 2006

Dan Whiting (202) 224-8078  
Sid Smith (208) 342-7985

## **Who's Responsible for Responsible Government?**

by Senator Larry Craig

Thomas Jefferson once described a republican form of government as “slow to move, yet once in motion, its momentum becomes irresistible.” Congress’ momentum toward expanding spending and government has been a source of considerable frustration for fiscal conservatives, including myself.

Federal spending has increased faster than the national income in five of the past six years. This represents a 10.2 percent increase in the federal spending burden on American workers since 2000, and a 9 percent increase in overall spending for 2006. In 2005 alone, Congress spent \$2.470 trillion.

Bloated federal budgets, unfortunately, are nothing new, and it is this decades-old addiction to spending that has landed us in the position we are in today. Two-thirds of the federal budget is entitlement programs whose spending is driven by the number of people eligible for the program, not Congress’ budget process. As of the end of 2005, Social Security and Medicare trustees put total entitlement shortfalls at \$84 trillion, \$5 trillion higher than 2004 estimates. Without entitlement reforms, the federal government would take up 38 percent of gross domestic product by 2050.

The culture of Congress is centered around the undisciplined notion that more is more; true fiscal responsibility and discipline, however, are premised on the simple notion that less is more. Less government spending means more freedom for individual Americans and increased levels of economic activity and rates of economic growth for the country.

In the same vein, if you want more of something, tax it less. For example, since the 2003 tax cuts, tax-revenue collections from the expanding economy have been surging at double-digit rates. In the first nine months of fiscal year 2006, tax revenues have climbed by \$206 billion, or nearly 13 percent. That increase is the second-highest rate of growth for the nine-month period in the past 25 years, exceeded only by the year before. For all of fiscal year 2005, revenues rose by \$274 billion, or 15 percent.

This growth is not self-sustainable, however; any reversion back to higher tax rates will cause tax revenues to fall and result in an economic downturn. Republicans have sought to sustain this growth by continuing to roll back taxes and provide tools to eliminate excessive spending. Democrats have blocked these efforts without blinking.

Take the repeal of the death tax. In June 2006, Senate Republicans began with a vote on a total repeal of the death tax. Democrats filibustered and said “no.” Republicans then compromised to a single 15 percent rate. Democrats again said “no.” Republicans then added a second bracket at 30 percent, agreed to drop the top estate-tax rate 2 points a year from 40 percent in 2010 to 30 percent in 2015, and finished by tacking on a minimum wage hike. Democrats still said “no.”

[MORE]

While Democrats say “no” to tax cuts, they say “yes” to more spending. According to an analysis by the non-partisan National Taxpayers Union of bills introduced in Congress ([http://www.ntu.org/pdf/pp\\_ntuf\\_160.pdf](http://www.ntu.org/pdf/pp_ntuf_160.pdf)), the average House Democrat proposed increasing net spending by \$547 billion, while the average for a House Republican was \$16 billion.

Is Congress so entrenched in its culture of spending, and Democrats in their habit of obstructing, that any hope for change is futile? I’d like to think not, but time for wishful thinking is over. Any serious efforts to restore fiscal discipline, reduce the deficit, and find long-term solutions to the problem of unfunded obligations must involve fundamental changes to the budget process. To this end, I recently helped introduced the Stop Over-Spending (SOS) Act of 2006 to fix the broken budget process and ensure that taxpayer dollars are spent in a straightforward, transparent, and disciplined way.

I will continue to stand for fiscal responsibility and lower taxes as those two things go hand-in-hand; however, that’s not the end of the solution. The momentum in Congress needs to swing towards fiscal responsibility. Voters have an opportunity to start that change this November by delivering the message the Republicans are the true party of lower spending and taxes and smaller government.

Congress needs to hear your voice for real change to happen.